German type, it is impossible to see anything but a very dismal failure of its ideal in this American history. There is almost no relation between things popularly called "socialistic" (like state management of telegraphs and railroads) and the final purpose of German socialism. The clear advantage of the present "nationalist" agitation will be to show finally to the public what the real end of socialism is. When the American workman understands that he is to have neither rents nor interest on his savings, he will see that the problem is quite different from exciting debates about municipal control of gas and street railways. No book has better brought out these issues through the simple telling of the history than the work under review.

There is in the second chapter some excellent criticism upon the philosophical basis of socialism. No one has yet adequately shown the hopeless weakness of Marx's philosophy, *as* philosophy. He accepted as a sort of finality the crude materialism that was in vogue before 1854, after which date almost every first-rate scientific mind in Germany came to see and to acknowledge that this type of materialism failed wholly to meet the facts. Marx never got beyond his earlier training, but continued to the end to express his thought in forms of this naïve materialism. No one would claim now that even strictly economic concepts could be cribbed in such formulas. This seems the more strange in Marx because of his insistence upon the relativity of our knowledge. It would seem natural that he should allow in his own system for an elasticity and flux which the principle of relativity implied. In all his thinking, however, Marx was an absolutist and "wrote his qualities upon every page."

It is difficult to avoid a critical word about the title of the volume under review. Though the author with some caution qualifies his use of terms, it is the general question of labor agitation in the United States with which he deals, far more than with socialism proper. There is an entire chapter upon the strikes of the summer of 1877; a chapter on anarchy, with a detailed account of the Chicago tragedy; and an account of the George movement and of the eight-hour agitation, as well as of trades unions, Knights of Labor and trusts. It is true that these things are considered in their relation to socialism proper, and yet often so independently and to such length that we quite forget the subject of the book.

JOHN GRAHAM BROOKS.

The Economic Basis of Protection. By SIMON N. PATTEN, Ph.D. Philadelphia, J. B. Lippincott Co., 1890. — 144 pp.

Professor Patten has endeavored in this book to present a new treatment of an old subject. That protectionists need a new statement of their doctrines to meet the difficulties of the situation into which

political controversy has forced them, cannot be doubted. Friedrich List's great work, *National Economy*, is no longer in harmony with the trend of protective legislation; and although practical men profess to disregard theories, practical legislation in any line cannot long sustain itself unless it rest on some comprehensive theory of society or of government. To supply this need, and to provide a basis in theory for the latest phase of the protective policy, was, as I understand it, the purpose of Professor Patten in writing *The Economic Basis of Protection.*

But in what particulars, it may be asked, does the latest phase of protectionist thought differ from that of the classic writers? It will be adequate to mention two characteristic points of difference. With the old writers, freedom in exchanges was the ultimate end to be attained by every nation. Protection with them was but a phase or stage of industrial development, its immediate purpose being the industrial education of the people. The new leaders, on the contrary, urge protection as a permanent policy, and argue that it should not be abandoned even though the industrial skill of a nation comes to be greater than that of other nations. Indeed Professor Patten carries this so far as to claim that the loss entailed by trade between peoples of unequal industrial development is greatest for that people whose labor is the most efficient. Again, in the old scheme of protection it was thought to be illogical to obstruct free importation of raw material. "We have," says Friedrich List, "previously explained that free trade in agricultural products and raw material is useful to all nations at all stages of their industrial development." The arguments leading to this sentence strike the key-note of the old system of protection, but they are entirely ignored by the modern writers and wholly disregarded by current legislation. It may be doubted if Henry Clay would have accepted a nomination for the Presidency on a platform that endorsed such a tariff bill as the McKinley Bill.

If the above be a correct presentation of the situation, we are naturally led to inquire in reviewing Professor Patten's book, what new theory of social development is set forth to serve as the basis for this newest phase of the protective policy. No such theory is definitely stated (an omission which I regard as a serious error), but it is not difficult to discover certain phrases which our author believes to carry with them an adequate social theory. Society, he claims, should be kept in a condition of dynamic progress. This is the hook on which his entire argument hangs. He continuously brings into contrast the *dynamic* and the *static* theory of society, claiming that protection is in harmony with the former and free trade with the latter theory. "Our ideal," he says, "must stand in sharp contrast with the statical ideal advocated by most free traders."

These words, "dynamic" and "static," were of course borrowed from current discussions on sociology, and in making use of them Professor Patten shows that he regards society as an organism whose development must proceed according to certain laws; and further, in professing himself an advocate of "dynamic progress," he asserts, by inference, that society, being an organism of the highest type, is capable of directing the course of its own development. From this it follows that social progress may be dynamic, that is to say, it may be directed by a conscious purpose which finds expression in law. In this manner there is discovered a logical basis for the claim of protectionists, since it is at least logical to assert that protective laws may be made an instrument whereby a government can direct industrial development into certain chosen channels.

It will be observed that this theory of society is very different from that which lies at the basis of English economy; and, in assuming it, Professor Patten successfully evades the ordinary criticisms of those writers who adhere to Manchester doctrines. This must be appreciated before his book can be understood. For myself, I am quite willing to admit that the standpoint of his treatise is in harmony with the permanent trend of economic thought. I cannot, however, regard it as a satisfactory treatise; for it does not seem to me to follow out in a clear and simple manner the line of reasoning imposed by the premises assumed. It is an open question whether or not the acceptance of the dynamic theory of society necessitates the acceptance of the policy of industrial protection. This is, however, asserted by our author without argument; and he most unfairly places the alternative before his readers of believing in protection or of confessing themselves adherents of social stagnation. By implication he denies that one who professes to believe in the theory of dynamic progress can advocate freedom in matters of trade. His treatise, instead of adding to our knowledge of the science of sociology by a discriminating application of its principles to the doctrine of protection, seeks merely to dignify the doctrine of protection by expressing its stock arguments in phrases borrowed from sociology. It does not seem to me that Professor Patten appreciates the broad and deep significance of the phrases he has borrowed.

If this book be regarded from the standpoint of the minor arguments it contains, there is much to be commended. Whatever Professor Patten writes is suggestive. His presentation of the changes that have taken place in economic doctrine during the last one hundred years, and the relation of those changes to the theory of protection, is most instructive. His argument to show that protection is opposed to monopolies is ingenious in the extreme. The exception which he files to the theory of comparative cost in its application to international trade

has considerable force. And his appreciation of the fact that the first step in social progress is the development of human wants, is admirable. But the minor arguments contained in a book cannot rescue it from criticism. A book that is well written must be properly adjusted to the scheme of thought to which it professedly allies itself, and the premises it assumes must be logically carried out. When the great book on the protective policy shall have been written, it will be found to fit into a general theory of dynamic sociology. Professor Patten's book does not so fit. The place left vacant, now that modern protectionists have repudiated Friedrich List, is still vacant.

HENRY C. ADAMS.

Die Steuern der Schweiz in ihrer Entwickelung seit Beginn des 19. Jahrhunderts. Von GEORG SCHANZ. Stuttgart, J. G. Cotta Nachfolger, 1890. — 5 vols., large 8vo, 384, 487, 383, 289, 489 pp.

Among all the European countries Switzerland is the only one where the general property tax is still to be found. It is the one state above all others whose methods of taxation bear a close resemblance to those of the United States. It would be only fair to expect, therefore, that a work of such prodigious proportions as that of Professor Schanz on Swiss taxes should be of the utmost importance to all Americans. And the expectation is not disappointed. But rarely before in the history of economic literature, has a work been published which is at all comparable to this in its value to the American student of finance.

Professor Schanz earned his reputation by the thorough work displayed in *Englische Handelspolitik gegen Ende des Mittelalters*, published about ten years ago, as well as by several minor works on the history of labor. In 1884 he started the *Finanzarchiv*, which is still the only serious review devoted exclusively to the science of finance. In this periodical Dr. Schanz has been publishing for the past few years detailed histories and descriptions of the tax systems of different German commonwealths, which have challenged admiration for their thoroughness and accuracy. And now he offers to the scientific world a work which stands unequalled in magnitude of scope and detail of treatment.

A word first as to the methods of the author. The opening volume is devoted to a sketch of the general development. A preliminary chapter treats of the federal taxes and the general situation; a second chapter, of the general direct taxes in the cantons; a third chapter, of the licenses, succession duties, military tax, *etc.*; a fourth chapter, of the indirect taxes on consumption; while a final part is devoted to the questions of local taxation. The three following volumes take up each of twenty-five separate cantons or commonwealths in detail; describe the history, not only of all the changes, but of all the attempted reforms;